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**Strengthening of the coordination of humanitarian
and disaster relief assistance of the United Nations,
including special economic assistance: special
economic assistance to individual countries or regions**

**Humanitarian assistance to the Federal Republic
of Yugoslavia****Report of the Secretary-General****Contents**

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Summary

The present report, which covers the situation in Kosovo in separate paragraphs, is submitted pursuant to General Assembly resolution 56/101 of 14 December 2001, in which the Assembly, inter alia, called upon the Secretary-General to continue to mobilize the timely provision of international humanitarian assistance to the Federal Republic of Yugoslavia; and requested him to submit to it at its fifty-seventh session a report on the implementation of the resolution.

The report reviews the major humanitarian, socio-economic and human rights developments in the Federal Republic of Yugoslavia since July 2001. The review of major humanitarian developments focuses on the situation of refugees and internally displaced persons, and explains that the situation continued to normalize. The economic reform process, and its consequences on the most vulnerable, marked the socio-economic situation. The human rights situation continued to improve, but the unresolved issue of missing persons remain an obstacle to better relations between the Federal Republic of Yugoslavia and Kosovo.

The report provides a sectoral analysis of the humanitarian assistance provided by the United Nations and its partners and by the Member States. The appointment of a Resident Coordinator for the Federal Republic of Yugoslavia excluding Kosovo and of a Development Coordinator for Kosovo, marks the transition from relief to development.

The report concludes that the situation in the Federal Republic of Yugoslavia continued to stabilize, leading to a decline in humanitarian needs. The report calls for continued donor support to the most vulnerable populations, in particular, the ethnic minorities of Kosovo.

I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 56/101 of 14 December 2001, in which the Assembly requested the Secretary-General to submit a report to it at its fifty-seventh session on the implementation of the resolution. The report covers developments from 15 July 2001 until 30 June 2002.

2. The Federal Republic of Yugoslavia consists of the Republics of Serbia and Montenegro. Owing to the fact that Kosovo is administered by the United Nations, pursuant to Security Council resolution 1244 (1999), the situation in that province is covered in separate paragraphs of the report.

II. Review of major humanitarian developments

3. During the reporting period, United Nations humanitarian operations in the Federal Republic of Yugoslavia have aimed at complementing the relief to development transition process, advocating that development policies promote durable solutions and develop national capacity to meet the basic needs of the most vulnerable, while keeping material assistance tightly focused on the basic needs of those who have no other means of support.

4. The humanitarian response in the Federal Republic of Yugoslavia still covers the needs of one of the largest displaced populations in Europe, consisting of 388,000 refugees from the former Yugoslavia and 231,000 internally displaced persons from Kosovo, and addresses widespread poverty and fragile basic services. The Government's reform and recovery programme has resulted in a number of short-term negative effects (e.g. rising unemployment and costs of basic services), which have affected particularly the most vulnerable persons in society. However, the number of people dependent on humanitarian assistance is decreasing steadily as development takes root, national capacity is rebuilt and the opportunities for durable solutions expand.

5. Improved political relations with Croatia and Bosnia and Herzegovina allowed the Office of the United Nations High Commissioner for Refugees (UNHCR) to promote programmes which focus on voluntary repatriation, notwithstanding persistent

problems regarding the repossession of property, particularly in Croatia. An inter-ministerial working group, supported by UNHCR, the United Nations Development Programme (UNDP) and the Office for the Coordination of Humanitarian Affairs has prepared "A National Strategy for Refugees and IDPs", which gives refugees in the Federal Republic of Yugoslavia the option either to participate in a local settlement programme to permanently remain/settle in that country, or to repatriate voluntarily.

6. The Stability Pact for South-Eastern Europe, which the Federal Republic of Yugoslavia joined in October 2000, provides a regional forum on refugee issues as well as democratization, reconstruction and security. The Pact recently confirmed its strategic alignment with the European Union (EU) accession and the objectives of the EU Stabilization and Association Process. In this context, it has invited the South-East European Cooperation Process to strengthen the organization's structure and allow it to act as a coordinated regional voice.

7. The region of southern Serbia contiguous with Kosovo and the former Yugoslav Republic of Macedonia is among the poorest and least developed in the country and includes a significant ethnic Albanian minority. For these reasons, it has been a particular focus of United Nations humanitarian and development efforts, which have included the establishment of a United Nations System Inter-Agency Support Office in Vranje. The peace agreement of May 2001 is fragile but holding, and has allowed the Government of the Federal Republic of Yugoslavia and the international community to initiate a series of peace-building activities. The Organization for Security and Cooperation in Europe (OSCE) has also played a key role in the area, bringing community leaders together and training a multi-ethnic police force. Of the 16,000 ethnic Albanians who left southern Serbia during the conflict, 6,000 have returned to their homes in the former ground safety zone. Returns are expected to continue in 2002. Efforts to promote a regional development strategy, including the recent agreement to expand and transform the role of the Government coordination body for the area is anticipated to help build sustainable development on the current recovery efforts.

8. The conflict in the former Yugoslav Republic of Macedonia, which forced some 10,000 mainly ethnic Albanian refugees to flee across the border into the

Federal Republic of Yugoslavia (excluding Kosovo), also abated last summer and all but 200 refugees have returned. Inter-agency emergency preparedness plans continue to be reviewed on a regular basis.

9. Similarly, many of the 81,000 refugees who had fled the conflict in the former Yugoslav Republic of Macedonia for Kosovo have returned, following the framework agreement between ethnic Albanians and the Government in the former Yugoslav Republic of Macedonia in August 2001. By the end of May 2002, only about 3,500 refugees remained in Kosovo, almost all of them residing with host families. United Nations agencies and international aid organizations, together with local partners, provided those refugees with humanitarian assistance throughout the autumn and winter and helped the United Nations Interim Administration Mission in Kosovo (UNMIK) to ensure that local services were accessible to them. UNHCR and the Office for the Coordination of Humanitarian Affairs, in cooperation with other United Nations agencies and UNMIK, revised related emergency preparedness and response plans in March 2002. Reconciliation efforts in southern Serbia and the reconstruction of homes by UNHCR in the Presevo municipality facilitated the return of some 4,000 to 5,000 ethnic Albanians, who had fled the conflict in that region during the period from 1999 to early 2001. However, some 10,000 internally displaced persons remain displaced from southern Serbia, mostly in the Gnjilane area of Kosovo. A durable solution for this caseload is still being sought.

10. In accordance with the Constitutional Framework for Provisional Self-Government in Kosovo, established in May 2001, elections were held in November 2001, resulting in the establishment of the new Assembly with minority participation, the selection of a President and Prime Minister, and the establishment of the bodies within the Constitutional Framework. In addition, the signing of the UNMIK/Federal Republic of Yugoslavia Common Document on 5 November 2001 established a framework for coordinating the return of displaced minorities from the Federal Republic of Yugoslavia and cooperation between UNMIK and the Kosovo Coordination Council in Belgrade.

11. An Office of Returns and Communities was established within UNMIK in order to coordinate the return process. This office is substantively supported by UNHCR. To address minority issues, an Advisory

Board on Communities was established in December 2001, composed of the Heads of UNMIK pillars, United Nations agencies, the Council of Europe and the Office of Returns and Communities, to advise Michael Steiner, who I appointed as my representative for Kosovo to succeed Hans Haekkerup in February 2002. In spring 2001, a Cabinet-level inter-ministerial post for minority returns was established, as well as a minority returns adviser post within the Office of my representative for Kosovo, both to be filled by ethnic Serbs.

12. There has been a reduction of direct humanitarian assistance provided by the international community as most of the vulnerable population in Kosovo (ethnic Albanian and minorities) are now enrolled in the social assistance scheme of the UNMIK Department of Labour and Social Welfare. Other vulnerable persons that are unable to qualify for the social assistance scheme (approximately 53,000 individuals) are assisted by a World Food Programme (WFP)/UNHCR food safety net programme.

13. Returns of internally displaced persons to Kosovo have been few. Despite some improvement, lack of security, restrictions on the freedom of movement and delays in the repossession of property remain the main obstacles to return, in addition to the socio-economic and reconstruction needs of minority returnees. According to UNHCR estimates, only about 3,500 internally displaced persons have returned to Kosovo from Serbia and Montenegro between 2000 and 2002. Most returns have been spontaneous, with only a few hundred being able to return via organized efforts by the international community during 2001 and 2002. However, the resolve by UNMIK and the international community to reduce obstacles to return in 2002 focuses most importantly on issues of security, housing and employment. Efforts include a revision of the United Nations consolidated humanitarian appeal in June 2002 to reflect a more coordinated effort on these issues by United Nations agencies with UNMIK. My representative for Kosovo has made minority returns a priority objective in 2002.

III. Review of socio-economic developments

14. While, overall, there has been much improvement over the past year, the most vulnerable among the resident, refugee and displaced populations have borne much of the negative effects, although some were able to take advantage of new economic opportunities. The economic reform process has led to increased unemployment, which places a growing burden on the capacity of social welfare. It is estimated that, in Serbia, between 50,000 and 60,000 workers will lose their jobs in 2002, adding to the current unemployment figure of 800,000 (30 per cent). Official estimates are that over one third of the Federal Republic of Yugoslavia citizens live below the poverty line.

15. The agreement brokered by the EU High Representative, Javier Solana, contributed to improving and rationalizing relations between the Republics of Serbia and Montenegro. However, political uncertainties still surround the future of the federal system and these continue to hamper the overall quality and speed of the reform process. If reforms proceed on track, the longer-term outlook for effective recovery and sustainable development is positive.

16. Gross domestic product (GDP), which was reported as the lowest in Europe in 2000, increased by 6.1 per cent in 2001 — still 40 per cent below the 1989 level prior to the dissolution of the former Socialist Federal Republic of Yugoslavia. An increase in agricultural output in 2001 greatly contributed to the overall increase in GDP. The inflation rate dropped from 113 per cent in 2000 to 40 per cent in 2001 (December 2000/01), owing mostly to the correction of inherited price disparities. Expectations are that the inflation rate in 2002 will not exceed 20 per cent. The real purchasing power of the 2001 average salary increased by 18.5 per cent, compared to 2000.

17. The Kosovo 2002 budget bolsters each phase of the transition reform. The budget supports important initiatives to expand Kosovo's private sector towards a market-based economy in years to come. In addition, about 93 per cent of the 2002 budget is funded from local revenues. On 13 June 2002, my representative adopted two regulations that would pave the way for privatization of socially owned and public enterprises, providing the means to move the economy of Kosovo a step closer to a free market economy. Unemployment in Kosovo continues to affect about one half of the

population. On the positive side, improvements in agricultural production increased substantially in 2001. UNMIK has given high priority to efforts of fighting corruption in the public and private sectors and reducing criminal activities. Among other developments, Euro Conversion in Kosovo was completed successfully by 28 February 2002.

IV. Review of human rights developments

18. The Government of the Federal Republic of Yugoslavia is committed to the process of reforming the main institutions, based on principles of the rule of law and the protection of human rights. Key legislation has been passed, *inter alia*, to update the Criminal Code and the Law on Criminal Procedure; a package of measures was passed to improve the efficiency and quality of the judiciary; and a new Federal Law on Minorities provides a sound legal framework for the protection of human rights of all minorities in the Federal Republic of Yugoslavia, including Roma. Now the challenge is to effectively implement this legislation throughout the country. If these positive developments are to be sustained, substantial reforms — particularly in the areas of judicial and penal institutions, media, police and armed forces — will be required. The process of reform remains chronically under-resourced. Continued and substantial support from the international community will be needed to create national institutions capable of protecting the rule of law and human rights.

19. The human rights situation of the majority of the population in Kosovo has improved since the end of the Milosevic regime, and progress has been made to move the province towards increasingly responsible local self-government. Overall, three areas of concern remain: (a) the return, integration and protection of ethnic minority communities in Kosovo; (b) the rule of law, including the independence of the judiciary; and (c) the extent to which human rights standards are fully integrated into the policies and practices of the new Government, UNMIK and the Kosovo Force (KFOR). Moreover, the status of women and girls remains extremely low in the province. There has been a gradual improvement in the overall security situation with a continued decline in the number of serious acts of violence against minorities.

20. Notwithstanding the above, the lack of freedom of movement remains the key issue that prevents minorities from living a normal life in Kosovo. KFOR has begun to replace fixed security points around minority enclaves with a system that relies on roving patrols and a flexible response to possible security threats. This is part of a general strategy to gradually eliminate enclaves and promote integration of minorities more fully into normal life within Kosovo.

21. Despite progress on the transfer to Kosovo of the remaining Kosovo Albanian prisoners, the unresolved and sensitive issue of missing persons from both communities remains an obstacle to better relations between the parties.

V. Assistance provided by the United Nations and its partners

A. Coordination arrangements

22. The United Nations Humanitarian Coordinator for the Federal Republic of Yugoslavia (excluding Kosovo), with support from the Office for the Coordination of Humanitarian Affairs, was responsible for coordination until March 2002, when that responsibility was transferred to the United Nations Resident Coordinator.

23. The appointment of a United Nations resident coordinator for the first time in a decade reflected the changed relations between the Federal Republic of Yugoslavia and the international community, as well as the clear commitment to a development agenda both within and outside the Federal Republic of Yugoslavia. To coordinate and link the breadth of relief and development issues, the Resident Coordinator initiated a series of thematic groups, including human security, poverty, governance and the millennium development goals. The inclusion of humanitarian coordination under the resident coordinator function also strengthens links with national authorities and relevant regional and international development structures. Under the auspices of the Resident Coordinator, the Office for the Coordination of Humanitarian Affairs continues to lead support to the overall coordination of humanitarian affairs through the human security thematic group, while operational agencies lead sectoral relief coordination. United Nations agencies also lead

specific subgroups focusing on internally displaced person and Roma communities.

24. Similarly, the United Nations Humanitarian Coordinator for Kosovo took the lead in humanitarian coordination within the United Nations country team in Kosovo until the end of September 2001. In view of the general normalization in Kosovo and transition to development assistance, this function shifted to the acting United Nations Development Coordinator and, subsequently, to the permanent Development Coordinator upon his arrival in February 2002. The Office for the Coordination of Humanitarian Affairs provided direct support to the Humanitarian and Development Coordinators throughout this reporting period. Close cooperation continues between the various United Nations agencies, non-governmental organizations, donors and UNMIK to ensure that vulnerable populations are provided with adequate and timely assistance. As of December 2001, the new UNMIK office has taken the lead in the overall coordination of minority returns for returns and communities. This office works closely with UNHCR and regional and municipal working groups on return issues. Municipal authorities are taking on increasing coordination responsibilities at the local level.

B. Winterization efforts

25. A winter energy crisis was averted through significant imports of energy, domestic measures and humanitarian assistance. During the reporting period, responsibility for the macro-energy sector was gradually transferred from the Office for the Coordination of Humanitarian Affairs to UNDP. During this time, international support to the sector amounted to approximately US\$ 260 million. In March 2002, UNDP supported a rehabilitation conference hosted by the Government of the Federal Republic of Yugoslavia and attended by major donors.

26. UNHCR delivered coal and heating oil to 27,429 refugees and internally displaced persons in collective centres and specialized institutions. Heating stoves and blankets were delivered to approximately 22,608 refugees and internally displaced persons in private accommodation and collective centres. The United Nations Children's Fund (UNICEF) assisted with the provision of heating fuel, coal and stoves to schools, as well as to maternity wards and specialized children's institutions throughout the country.

27. UNMIK and Kosovo local authorities took the lead in coordinating the winterization programme for 2001/02. The aim of the programme was to provide shelter, firewood, food and non-food items to needy families and vulnerable population groups. UNHCR assisted in the distribution of the firewood for refugees and minorities from the former Yugoslav Republic of Macedonia.

C. Food aid

28. WFP is the main agency responsible for providing food aid to vulnerable groups and, together with the International Committee of the Red Cross (ICRC) and non-governmental organization partners, assists refugees, internally displaced persons and social cases. With the improvement of the economic situation, WFP concluded its assistance to social cases and pensioners in June 2002, and as of 1 July 2002, continued to assist 170,000 vulnerable refugees in Serbia and 4,000 in Montenegro. Assistance will gradually decrease and will eventually be discontinued in December 2003. WFP has identified international non-governmental organizations as implementing partners and is working towards integrating food aid within the social policy reform matrix of the Ministry of Social Welfare.

29. Along with WFP, ICRC also introduced revised beneficiary selection criteria to more precisely identify the most vulnerable persons by taking into account household vulnerability and poverty levels rather than beneficiary classification. Food assistance delivered by ICRC decreased from 116,000 beneficiaries in July 2001, to 50,000 as of April 2002. In Montenegro, WFP co-ordinated food assistance to internally displaced persons (an average 9,000 beneficiaries for the latter half of 2001). Furthermore, UNHCR provided fresh food to collective centres.

30. Under the food Safety Net programme, WFP assisted 106,300 social cases in Kosovo, thus supplementing the cash-based UNMIK social assistance scheme. Working closely with UNHCR, WFP also assisted refugees from the former Yugoslav Republic of Macedonia. Based on its exit strategy, WFP reduced its caseload from 106,300 beneficiaries (July 2001) to 53,626 (January 2002). The reports emanating from two United Nations-supported food assessment studies suggested that food distribution should no longer be considered as the most appropriate

means of assistance for poor households. WFP phased out its food assistance in April 2002, concentrating in its last three months on the distribution to both "safety net" and refugee beneficiaries. WFP also drew up a contingency plan to provide returnees to Kosovo with a three-month food package which it provided in Serbia after June 2002.

D. Shelter

31. UNHCR provides financial support to the Serbian and Montenegrin Refugee Commissioners in support of collective centres which host or accommodate some 42,500 vulnerable refugees and internally displaced persons.

32. During the Kosovo programme of 2001, international donors supported the rehabilitation and reconstruction of 8,800 houses (360 for minorities). An assessment in June 2001 showed that 10,000 to 12,000 families are in need of reconstruction and rehabilitation assistance for 2002. This figure does not include returnee families. International donor commitment for 2002 will only cover 2,500 houses. Of this commitment, 10 per cent is reserved for minorities and funding for additional houses will be held as a reserve for minority return. During the winter, UNHCR provided a total of 2,115 warm rooms as basic shelter for the former Yugoslav Republic of Macedonia refugees and internally displaced persons from southern Serbia and a total of 247 minority and returnee families were assisted with rigid shelters.

E. Health

33. Funding for health-related humanitarian assistance decreased over the reporting period, while planning and implementation of activities aimed at sustainable development and reforms of the health sector of the Federal Republic of Yugoslavia increased. The main focus of the coordination activities of the World Health Organization (WHO) was therefore aimed at ensuring a smooth transition from humanitarian to developmental health activities in the country. Together with a number of other agencies, WHO supported several capacity-building initiatives for the health authorities of the Federal Republic of Yugoslavia.

34. UNICEF, WHO, UNDP and the World Bank, as members of the Joint United Nations Programme on HIV/AIDS (UNAIDS) Theme Group in the Federal Republic of Yugoslavia, supported the establishment of the Republic AIDS Committees and country efforts to prepare, adopt and implement a multisectoral HIV/AIDS prevention strategy.

35. UNICEF reinforced its health education programme, which focuses on infant feeding practices, immunization, visiting nurses and paediatricians and the vulnerable Roma community. UNICEF distributed various types of medical aid to southern Serbia, as well as clothing, footwear and school supplies. In addition, UNHCR provided medical assistance to some 25,000 refugees and internally displaced persons.

36. In many instances working jointly with UNICEF, WHO increased support to the Department of Health and the Institute of Public Health and put in place additional preventive measures and expertise to sustain services in Kosovo. Critical intervention covered disease surveillance, tuberculosis control, outreach vaccination programmes and polio eradication, with particular attention to minority areas. WHO provided each municipal health facility with one of its first response kits.

37. UNICEF is rehabilitating the maternity wards and a children's dispensary in the Mitrovica North hospital, which serves Kosovo Serb communities from all Serb enclaves across Kosovo. The United Nations Population Fund (UNFPA) continued to support improvements in reproductive health information and services in Kosovo, including reproductive health and rights, training of health workers, rehabilitation of hospital maternity units, provision of medical equipment and provision of contraceptives. The International Organization for Migration (IOM) continued to facilitate medical evacuation and to improve psychosocial services, school health education and awareness concerning HIV/AIDS in Kosovo. Together with the Swedish Migration Board, IOM coordinated activities of Swedish medical teams, which performed medical procedures otherwise not available in Kosovo. Access to health services remained problematic for isolated communities and some minority areas.

F. Water and sanitation

38. Until the end of 2001, UNICEF focused on the improvement of drinking water supply and the overall sanitary condition of vulnerable populations in small urban, peri-urban and rural areas with large concentrations of refugee and displaced persons. Other humanitarian assistance included the rehabilitation and upgrading of water supply and sewage systems to refugee and internally displaced persons in collective centres.

39. Critical intervention by WHO in Kosovo included water and sanitation assessment monitoring, surveying, and coordinating good water quality and sanitation services in areas of increased need, particularly those affected by the large influx of refugees from the former Yugoslav Republic of Macedonia during the summer of 2001. In 86 schools, UNICEF completed the upgrading of water and sanitation facilities, conducted maintenance training and launched a hygiene education project in cooperation with the local Institute for Public Health. In order to improve access to and the quality of potable water and sanitation facilities in communities hosting refugees from the former Yugoslav Republic of Macedonia, UNHCR supported the rehabilitation and construction of springs, wells, reservoirs and other water-supply facilities in 10 villages in the Gnjilane and Prizren regions, benefiting an estimated 20,000 persons, 29 per cent of which are refugees.

G. Education and child welfare

40. In the Federal Republic of Yugoslavia (excluding Kosovo), UNICEF continued to focus on improving educational policies, teaching and learning methods, the curriculum and rehabilitating and equipping school facilities. Integrating displaced and refugee children, Roma and children with disabilities into the school system remained a priority. UNICEF also assisted local associations in southern Serbia in developing a project designed to benefit 700 children with disabilities and extended its Active Learning programme to 5,000 new teachers and trained teachers in Montenegro to encourage the social and civic development of children.

41. Education programmes in peace and tolerance were integrated into the curriculum and the Ministry of Education was supported in training 3,000 teachers through civic education lessons.

42. With respect to non-formal education, programmes included the opening of 20 community play centres and the equipping of 20 kindergartens. Local kindergarten parent-teacher associations were established in Serbia benefiting 20,000 pre-school children. In Montenegro, training was organized in 86 childcare centres.

43. Foster families received ongoing support in the form of in-kind donations and benefited from the improvement of social services. Childcare institutions (e.g. orphanages and schools for children with special needs) were provided with basic hygiene items, clothing and bedding. UNICEF also supported four local non-governmental organizations whose mobile teams were providing psychosocial support to refugees and internally displaced persons in Serbia.

44. UNICEF reconstructed and rehabilitated some 132 schools for all ethnic communities in Kosovo. The challenge now is to encourage multi-ethnic participation in schools and to provide "catch-up" education for Roma and Ashkaelia children. Promoting conflict resolution, peace and tolerance among the youth of Kosovo is a key component of activities. For youth needing counselling and psychosocial rehabilitation, and for those in conflict with the law or otherwise at risk, UNICEF has supported the establishment of "drop-in centres" for referral of young people by police and social workers. These centres provide a safe social space, professional counselling and activities and training programmes. UNICEF is working with UNHCR and the local social welfare centres to provide flexible outreach services to minority, refugee and returnee children and to sensitize, and build capacity among, municipal social workers.

H. Agriculture

45. The Food and Agriculture Organization of the United Nations (FAO) implements programmes in southern and central Serbia designed to improve the capacity and skills of vulnerable vegetable and fruit producers. Those programmes utilize humanitarian parameters to identify beneficiaries, and focus on improving business-like aptitudes, forming producer or wholesaler associations and raising the levels of marketing skills. Pilot activities are being carried out in Vojvodina to facilitate access of long-term refugees to arable land. The programme, linked to the UNHCR

resettlement projects, investigates suitable methodologies in assisting refugee farmers in establishing profitable agricultural enterprises, compatible with local municipal requirements and community acceptance.

46. Following the provision in 1999 and 2000 of emergency assistance to the Kosovo agricultural sector, agricultural production was quickly restored to near pre-conflict levels. Consequently, FAO programmes have adopted transitional approaches towards rehabilitation and longer-development of the sector. The Emergency Farm Reconstruction Project funded by the World Bank provides livestock, farm machinery and training to vulnerable families, training and equipment to private veterinarians and technical assistance to the Kosovo Ministry of Agriculture, Forestry and Rural Development. FAO has also strengthened seed multiplication project initiatives in the forestry sector and has promoted private sector small-scale group enterprises to revitalize the rural economy. However, the need for continued donor assistance persists to support minority farmers and returnees to rural areas, in order to create conditions that will lead to sustainable returns.

I. Promotion of durable solutions

47. A major focus of international humanitarian efforts in the Federal Republic of Yugoslavia is to seek durable solutions for the large displaced populations by promoting repatriation, resettlement and local integration.

48. To further voluntary repatriation, UNHCR continues to implement the 1998 protocol on organized return between the Federal Republic of Yugoslavia and Croatia, and to assist spontaneous returnees to Bosnia and Herzegovina. For those refugees opting to integrate into the Federal Republic of Yugoslavia, UNHCR implements a local settlement programme. Already some 3,500 persons have benefited from housing projects and more than 25,000 persons from various income-generating activities (including microcredit schemes), and elderly homes are being expanded to accommodate elder refugees in need of special care.

49. The returns of internally displaced persons from Kosovo have been few. During this reporting period, about 270 were able to return to Kosovo through the UNHCR return programme, while another 1,800

returned spontaneously. In support of the return programme, UNHCR also undertakes "Go and see" visits to Kosovo as well as "Come and inform" visits from Kosovo. ICRC is also a key actor in providing the bulk of material relief assistance to internally displaced persons, in addition to protection services and promotion of durable solutions.

50. IOM undertakes medical screening and the resettlement of refugees to third countries, principally to the United States of America, Canada and Australia. In coordination with UNHCR, a joint refugee-processing team screens resettlement applications. IOM also implements a vocational training programme for internally displaced persons in southern Serbia to facilitate their reintegration into Kosovo.

51. In southern Serbia, UNDP leads a Rapid Employment Programme designed to create job opportunities for unemployed youths, ex-combatants and vulnerable members of the population through labour-intensive public works. Over 3,000 persons per month are expected to be employed throughout 2002.

52. Significant progress was made in finding durable solutions for the majority population in Kosovo, through support of agricultural production, small-scale income-generation activities and most importantly, through the establishment of the new provisional institutions of self-government. Moreover, the responsibilities of certain governmental key services were transferred to municipal authorities. The social assistance scheme has been expanded to cover the majority of most vulnerable population groups. On the negative side, little progress has been made to provide durable solutions for ethnic minorities to improve their freedom of movement and by allowing full access to employment opportunities and government services. Progress in creating conditions for sustainable returns for larger numbers of minority returns in 2002 will be essential if larger-scale returns are to be feasible in 2003 and 2004. Resolution of property claims of minorities by the Housing and Property Directorate, construction of housing, creation of employment opportunities, a more secure return environment and integration with the majority population are necessary ingredients for durable returns, but have yet to be realized. Strong and vocal support for the return process by the new Constitutional Framework for Provisional Self-Government will be essential. However, presently, the consensus of the international community is that conditions are not in place for large

returns of minorities to Kosovo. UNMIK has developed a concept paper, entitled "The right to sustainable return", which lays out the principles that should guide the approach for a sustainable returns process for internally displaced persons and refugees.

53. IOM has played a key role in supporting the rejuvenation of the labour market and the reintegration of former members of the Kosovo Liberation Army.

54. The World Food Programme, as part of its phase-out strategy, led capacity-building efforts resulting in the formation of the Consortium for Inter-ethnic Development, made up of the six local non-governmental organization partners of WFP. The Consortium will address livelihood assistance to vulnerable households, inter-ethnic reconciliation at the community level, substance abuse prevention and health service multi-ethnic mobile clinics. It has been endorsed by the other United Nations agencies.

J. Environmental damage

55. The United Nations Environment Programme (UNEP), together with the implementing agency, the United Nations Office for Project Services (UNOPS), is undertaking clean-up operations at a number of sites which pose a threat to human health as a consequence of military actions during 1999. Implementation of high priority projects started in 2001 at four such "hot spots" and is expected to be completed by the end of 2002.

56. UNDP is also assisting the local authority in introducing an air pollution monitoring system in the municipality of Pancevo, which has a high concentration of petrochemical industries.

57. In Kosovo, recent tests indicate that current levels of atmospheric lead exposure in the vicinity of the Trepcia smelting plant in Mitrovica, closed by UNMIK two years ago, continue to exceed WHO standards. UNMIK has embarked on a public health campaign to inform residents, workers and local health practitioners of the high levels of lead and to offer testing, advice and medical treatment. UNEP collected samples of soil from 11 of 112 sites that were identified as being targeted by ordnance containing depleted uranium. The analysis of the samples showed only low levels of radioactivity. Furthermore, the results suggested that there was no immediate cause for concern regarding toxicity. However, major scientific uncertainties persist

over the long-term environmental impacts of depleted uranium, especially with regard to the pollution of groundwater.

K. Mine action

58. UNICEF and ICRC implemented unexploded ordnance awareness programmes in schools in the Federal Republic of Yugoslavia until the end of 2001 (mostly focused on southern Serbia along the administrative boundary with Kosovo).

59. The UNMIK Mine-Action Programme has successfully completed its objectives, and the problems associated with landmines, cluster munitions and other items of unexploded ordnance in Kosovo have virtually been eliminated. Although it may take some years to completely eradicate all items of explosive ordnance in Kosovo, the current level of contamination no longer impedes social and economic development within the Province.

L. Human rights

60. In the Federal Republic of Yugoslavia (excluding Kosovo), the work of the Office of the High Commissioner for Human Rights (OHCHR) concentrates on adherence to the rule of law, administration of justice, minority rights and protection of detained persons. The Office provides policy advice and technical support to the Federal and Republic Governments, and to relevant national non-governmental organizations to ensure that institutional reforms are compatible with human rights norms.

61. IOM has implemented capacity-building activities for the police in the field of counter-trafficking, with specific actions such as shelters to assist victims of trafficking.

62. UNHCR, UNICEF, the Office for the Coordination of Humanitarian Affairs and UNDP also include human rights dimensions in their work, often providing policy advice and technical support to the Government on the reform of the juvenile justice system, education and social welfare system, strengthening alliances with civil society, non-governmental organizations, community leaders, and the media. The Office for the Coordination of Humanitarian Affairs issued two humanitarian risk-analysis reports highlighting the human rights situation

of Roma and internally displaced persons in the Federal Republic of Yugoslavia.

63. OHCHR continues to monitor the human rights situation in Kosovo and is currently preparing a report on the human rights situation. The Norwegian Refugee Council, with its Civil Rights Projects, continues to provide free legal aid to minorities, internally displaced persons and refugees. Of the more than 6,000 clients received in 2001, 48 per cent belonged to minority groups (Serbs, Ashkaelia, Roma, Egyptian and Bosniak) at risk of displacement. A small number of refugees from the former Yugoslav Republic of Macedonia were assisted in cases related to documents and social assistance. The Civil Rights Project maintained good working relationships with the Ombudsperson's Office and the Housing and Property Directorate and was able to refer large numbers of cases to these institutions.

VI. Assistance provided by Member States

64. Funding for humanitarian assistance to the Federal Republic of Yugoslavia is mobilized through the United Nations consolidated appeal for south-eastern Europe. Of the US\$ 148 million requested for the Federal Republic of Yugoslavia (excluding Kosovo) in the 2001 (revised) appeal, \$83 million was received, covering 56 per cent of the funding requirements. For Kosovo, of the revised total of \$134 million for 2001, \$46 million was received, covering 35 per cent of the requirements, respectively.

65. In the 2002 consolidated appeal, of the \$75.8 million requested for the Federal Republic of Yugoslavia (excluding Kosovo), \$11.5 million had been received as at 10 May 2002. For Kosovo, \$28.7 million was requested, and only \$20,166 had been received as at 10 May 2002. Agencies have been able to mitigate this chronic underfunding by prioritizing the received funds, plus any carry-over and unearmarked funds, towards minimal direct assistance programmes. However, progress has been hampered with regard to programmes of less direct assistance, such as supporting national capacity in essential public service sectors (health, education, social welfare) and promoting human rights. If additional funding is not quickly forthcoming, most agencies will have to further reduce already scaled-down programmes.

66. Major additional assistance for Federal Republic of Yugoslavia (excluding Kosovo) includes relief programmes of the European Commission Humanitarian Office (ECHO), which in 2001, amounted to over 48 million euro and are budgeted at approximately 36 million euro in 2002. Recovery and reconstruction programmes implemented by the European Agency for Reconstruction amounted to 256 million euro in 2001 (192 million euro for the 2002 budget), and focused on energy, health, agriculture and business development. The bilateral relief projects of European States have also been significant, while outside Europe, the United States has been a major supporter of UNHCR and non-governmental organizations on programmes for refugees and internally displaced persons, and also funds over \$200 million on a five-year programme to develop civil society. Further information on funding of humanitarian programmes, including donations by individual Member States, can be obtained through the financial tracking system of ReliefWeb (www.reliefweb.int).

67. At the donors' conference chaired jointly by EU and the World Bank in June 2001, over US\$ 1.2 billion was pledged in support of the reform and recovery programme of the Government of the Federal Republic of Yugoslavia, which aims to feed into the EU Stabilization and Association Agreement Process. Additional agreements include a 66 per cent debt reduction with the Paris Club of donors, plus \$825 million in loans at favourable conditions with the International Monetary Fund.

68. Building national capacity across all sectors is a priority of the reform and development effort. For example, a multi-donor Capacity-Building Fund has been established through UNDP, assisting over 12 institutions and ministries. The Council of Europe, OSCE, the United States Agency for International Development (USAID), United Nations agencies and a range of other actors are engaged in efforts to improve governance and democracy by strengthening parliament, the judiciary, the media, local authorities and services.

VII. Observations

69. Democratic reform in the Federal Republic of Yugoslavia has stabilized the situation within the country and around the regions of south-east Europe.

Although a number of contested issues, such as the status of Kosovo, the relations between Serbia and Montenegro and ethnic tensions in southern Serbia and the former Yugoslav Republic of Macedonia, retain the potential to cause conflict in future, the overall risk of large-scale conflict and population displacement is declining as further progress is made in developing the structures and relationships necessary for resolving contested issues in a peaceful manner.

70. In this environment, the priority for the humanitarian community is to establish linkages with the development agenda and, in particular, the formulation of policies that take account of the needs and structural problems of refugees, internally displaced persons and the most vulnerable persons in society. As the transition continues — with new opportunities for durable solutions being provided, capacity of State basic services being increased and the need for humanitarian assistance being reduced — the country still hosts more than 600,000 refugees and internally displaced persons, and specific vulnerable groups remain dependent on humanitarian assistance to meet their basic needs and help them to rebuild their lives.

71. Progress on durable solutions for the Kosovo internally displaced person population, in particular, is difficult and protracted, and is perhaps the most important humanitarian issue at the close of the reporting period. While the overall situation in Kosovo has continued to improve during the past year, the slow pace of returns of ethnic minorities and continued restrictions on the freedom of movement of minorities within Kosovo remains a great cause for concern. Improvements in the humanitarian situation of minorities is dependent on a strong commitment by the new Kosovo Government to support a multi-ethnic society, reconciliation between majority ethnic Albanians and minorities and the return of minorities presently outside of Kosovo to their former homes.

72. While humanitarian needs have declined significantly since 2001, continued donor support to United Nations agencies in the short and medium-term will be crucial to meet immediate basic needs of residual caseload and help develop sustainable solutions for them. On the other hand, humanitarian agencies should continue to maintain sufficient monitoring and emergency response capacity, to respond to adverse short-term effects on

some of the most vulnerable populations of the reform and recovery process.

73. As the humanitarian needs in the Federal Republic of Yugoslavia are now substantially reduced, the General Assembly may wish to consider whether a report on the humanitarian situation would still be required.
